STATE OF WEST VIRGINIA OFFICE OF THE ATTORNEY GENERAL DARRELL V. MCGRAW, JR. CONSUMER PROTECTION DIVISION 1-800-368-8808 or 304-558-8986

Press Release

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ATTORNEY GENERAL DARRELL McGRAW SETTLES COMPACT DISC CASE: CONSUMERS' SETTLEMENT CHECKS ARE IN THE MAIL

Checks are in the mail as a result of an antitrust settlement reached between Attorney General Darrell McGraw and several distributors of compact discs in litigation resolved last June. Distribution of individual checks to consumers was held up due to appeals that were recently resolved.

The settlement resulted from a lawsuit brought by Attorney General McGraw and 41 other states alleging that the major distributors of compact discs, Bertelsmann Music Group, Inc., EMI Music Distribution, Warner-Elektra-Atlantic Corporation, Sony Music Entertainment, Inc., Universal Music Group, and other national retailers, had entered into unlawful conspiracies to raise the price of recorded music to consumers.

Individual consumers in West Virginia and each of the other states should receive checks during the next two weeks in the amount of \$13.86 for each valid claim filed. West Virginia expects to have more than 11,000 valid claims, resulting in more than \$150,000 being returned to the consumers in this state.

"I am pleased that many West Virginians will receive direct compensation from CD distributors," said Attorney General McGraw. "The beauty of this settlement is that the checks can simply be cashed; consumers are not required to buy more recorded music," he said.

In addition to the cash payments to consumers, West Virginia anticipates receiving more than 40,000 compact discs that will be distributed to libraries, schools and nonprofit organizations throughout the State of West Virginia. The compact discs should be distributed to recipients during the next few months.

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